

**ITC-93-328**

**REFERENCE NUMBER:** ITC-93-328

**SUBJECT:** CWI APPLICATION TO RESELL INTERNATIONAL PRIVATE LINES INTERCONNECTED INTO THE PUBLIC SWITCHED NETWORK BETWEEN THE U.S. AND CANADA, THE U.K., AUSTRALIA, AND SWEDEN

**DATE FILED:** 9-9-93

**FCC ACTION:** NONE

**AT&T'S OPPOSITION:**

ON 10-21-93, TELIA AB OF SWEDEN FILED COMMENTS SUPPORTING CWI'S CLAIMS REGARDING THE OPENNESS OF THE SWEDISH MARKET.

ON 10-22-93, FGC FILED COMMENTS SUPPORTING CWI'S APPLICATION.

ON 10-22-93, IDB FILED COMMENTS ARGUING THAT THE USE OF LEASED FACILITIES DOES NOT CONSTITUTE RESALE AND, THEREFORE, CWI NEED NOT SATISFY THE FCC'S EQUIVALENCY STANDARD TO RECEIVE A GRANT OF THIS APPLICATION.

ON 10-22-93, SPRINT FILED A PETITION TO DENY IN PART CWI'S APPLICATION. SPRINT TAKES NO POSITION WITH REGARD TO CWI'S APPLICATION FOR ISR TO CANADA. HOWEVER, SPRINT ARGUES THAT THE U.K., SWEDEN, AND AUSTRALIA ARE NOT EQUIVALENT TO THE U.S. UNDER THE FCC'S RESALE POLICY.

ON 10-22-93, AT&T FILED A PETITION TO DENY CWI'S APPLICATION ON GROUNDS THAT: 1) U.S. CARRIERS ARE DENIED OPPORTUNITIES IN MULTIPLE MARKETS, WHERE CWI AFFILIATES HAVE PROTECTED TREATMENT, THAT ARE COMPARABLE TO THOSE WHICH CWI HAS AND SEEKS IN THE U.S.; AND 2) CWI DOES NOT DEMONSTRATE THAT THE U.K., CANADA, SWEDEN, AND AUSTRALIA OFFER OPPORTUNITIES EQUIVALENT TO THOSE AVAILABLE TO RESELLERS UNDER U.S. LAW.

**CWI'S POSITION:**

ON 11-4-93, CWI FILED A REPLY TO COMMENTS AND OPPOSITION TO PETITIONS TO DENY. CWI URGES THE FCC TO: 1) GRANT APPLICATION, 2) REJECT AT&T'S REQUEST FOR A "MIRROR RECIPROCITY" STANDARD FOR ESTABLISHMENT OF EQUIVALENT OPPORTUNITIES BETWEEN THE U.S. AND FOREIGN NATIONS, AND 3) REJECT TYING ACCOUNTING RATE ISSUES TO SECTION 214 GRANTS. CWI ALSO REQUESTS THAT THE FCC DEEM IT NONDOMINANT WITH REGARD TO THE AUTHORITY REQUESTED.

ITC-93-328 (CON'T)

CWI's POSITION (CON'T):

ON 3-9-94, CWI FILED A LETTER WITH THE FCC STATING THAT IT DOES NOT OBJECT TO PARTIAL CONSIDERATION AND ACTION ON ITS APPLICATION. CWI WILL ALSO ACCEPT DEFERRAL TO A LATER DATE OF UNRESOLVED ISSUES WITHOUT PREJUDICE TO FINAL CONSIDERATION ON THEIR MERITS.

ON 4-4-94, CWI FILED WITH THE FCC A LETTER AND A COPY OF AUSTEL'S FINAL REPORT REGARDING ITS INVESTIGATION OF POLICIES GOVERNING RESALE OF INTERNATIONAL PRIVATE CIRCUITS INTERCONNECTED TO THE SWITCHED NETWORK AT BOTH THE AUSTRALIAN AND OVERSEAS ENDS. CWI STATES THAT AUSTEL HAS FOUND THAT RESELLERS MAY CONTINUE TO INITIATE AND OFFER SUCH SERVICES ON A NOTIFICATION BASIS AND WITHOUT PRIOR REGULATORY APPROVAL.

**ITC-94-026**

**REFERENCE NUMBER:** ITC-94-026

**SUBJECT:** CWI 214 APPLICATION TO ACQUIRE AND OPERATE FACILITIES TO PROVIDE SWITCHED AND PRIVATE LINE SERVICES TO VARIOUS INTERNATIONAL POINTS (GLOBAL).

**DATE FILED:** 10-29-93

**FCC ACTION:** NONE

**AT&T'S OPPOSITION:**

ON 12-10-93, AT&T FILED A PETITION TO DENY CWI'S APPLICATION AND ASKED THE FCC TO CONSIDER THIS APPLICATION IN THE CONTEXT OF AT&T'S PETITION FOR RULEMAKING ON MARKET ENTRY AND REGULATION OF INTERNATIONAL CARRIERS WITH FOREIGN AFFILIATION.

AT&T ALSO URGES FCC TO DENY CWI'S APPLICATION UNLESS THE FCC DETERMINES THAT COMPARABLE MARKET ACCESS TO THAT WHICH CWI HAS IN THE U.S. IS AVAILABLE IN THE HOME MARKETS OF CWI AFFILIATES, OR WILL BE AVAILABLE IN TWO YEARS.

AT&T ALSO REQUESTS THAT THE FCC PLACE THE FOLLOWING CONDITIONS ON ANY GRANT OF CWI'S APPLICATION:

- CWI AND ITS AFFILIATES NOT ENTER INTO EXCLUSIVE ARRANGEMENTS;
- CWI RECEIVE ONLY ITS PROPORTIONATE RETURN TRAFFIC;
- CWI AFFILIATES REDUCE ACCOUNTING RATES WITH U.S. CARRIERS;
- CWI AND AFFILIATES WILL NOT REFILE U.S. TRAFFIC WITHOUT CONSENT OF ORIGINATING AND TERMINATING CARRIERS;
- CWI AFFILIATES WILL MAKE AVAILABLE TO U.S. CARRIERS (UNLESS PROHIBITED BY FOREIGN LAW) PUBLISHED AND TARIFFED, UNBUNDLED INTERCONNECTION AND DISTRIBUTION ARRANGEMENTS;
- CWI CERTIFIES THAT IT WILL NOT HAVE ANY RIGHT WHICH IS DENIED TO OTHER U.S. CARRIERS; AND
- CWI AFFILIATES ESTABLISH AND DISCLOSE SAFEGUARDS TO ASSURE INFORMATION RECEIVED FROM OTHER U.S. CARRIERS IS PROTECTED AND NOT USED FOR THE BENEFIT OF ITSELF OR CWI.

AT&T'S OPPOSITION (CON'T):

ON 1-6-94, AT&T FILED A REPLY TO CWI'S OPPOSITION TO AT&T'S PETITION TO DENY. IN THE FILING AT&T STATES THAT CWI DOES NOT REBUT THE FOLLOWING: 1) CWI AFFILIATES IN MORE THAN 30 MARKETS DO NOT OFFER OPPORTUNITIES COMPARABLE TO THOSE CWI HAS IN THE U.S.; 2) THAT THERE IS A DIRECT LINK BETWEEN REGULATORY DECISIONS AND TRADE NEGOTIATIONS THAT SHOULD BE CONSIDERED IN THIS CASE; AND 3) GRANTING CWI'S APPLICATION WILL LESSEN U.S. NEGOTIATING LEVERAGE TO ACHIEVE MARKET ACCESS IN CERTAIN COUNTRIES WHERE CWI AFFILIATES OPERATE.

AT&T ALSO ARGUES THAT GRANT OF CWI'S APPLICATION WITHOUT THE CONDITIONS PRESENTED IN ITS PETITION TO DENY WILL PROVIDE CWI WITH A COMPETITIVE ADVANTAGE IN THE GLOBAL MARKET.

AT&T REITERATES ITS ARGUMENT THAT CERTAIN CWI AFFILIATES MAINTAIN DISCRIMINATORY, ABOVE-COST ACCOUNTING RATES WITH U.S. CARRIERS.

CWI'S POSITION:

- ON 12-23-93, CWI FILED AN OPPOSITION TO AT&T'S PETITION TO DENY.
- CWI URGES THE FCC TO REJECT AT&T'S PETITION TO DENY
- CWI MAKES THE FOLLOWING ARGUMENTS:
  - GRANT OF ITS APPLICATION WILL ADVANCE THE FCC'S POLICY OF PROMOTING COMPETITION AMONG INTERNATIONAL CARRIERS.
  - GRANT OF ITS APPLICATION WILL BENEFIT CONSUMERS
  - THAT AT&T'S REQUEST TO CONSIDER CWI'S APPLICATION IN THE CONTEXT OF AT&T'S PETITION FOR RULEMAKING REGARDING MARKET ENTRY BY INTERNATIONAL CARRIERS WITH FOREIGN AFFILIATIONS IS UNWARRANTED.
  - THERE IS NO BASIS FOR AT&T TO INSERT ACCOUNTING RATE ISSUES INTO THIS PROCEEDING.
  - CWI POINTS TO AT&T'S VAST INTERNATIONAL HOLDINGS IN REBUTTING AT&T'S ARGUMENTS REGARDING CWI'S ABILITY TO LEVERAGE ITS AFFILIATES' MONOPOLY POSITIONS.

**ISP-93-006-ND**

**REFERENCE NUMBER:** ISP-93-006-ND

**SUBJECT:** CWI APPLICATION FOR STREAMLINED MODIFICATION OF  
DOMINANCE STATUS ON ALL ROUTES ON WHICH CWI RESELLS THE  
IMTS OF UNAFFILIATED U.S. CARRIERS

**DATE FILED:** 4-15-93

**FCC ACTION:** NONE

**AT&T'S OPPOSITION:**

ON 5-21-93, AT&T FILED COMMENTS URGING THE FCC TO REFRAIN FROM GRANTING "UNILATERAL CONCESSIONS" TO CWI OR TO BT UNTIL THE U.K. OFFERS COMPARABLE MARKET ACCESS TO U.S. FIRMS. AT&T ALSO ASKS THAT ANY GRANT BE CONDITIONED ON ESTABLISHMENT OF NON-DISCRIMINATORY, COST-BASED ACCOUNTING RATES BY CWI AFFILIATES.

ON 6-15-93, AT&T FILED A REPLY URGING FCC TO DELAY CONSIDERATION OF CWI'S APPLICATION UNTIL A COMPREHENSIVE POLICY ON ASYMMETRICAL MARKET ACCESS BY FOREIGN CARRIERS IS DEVELOPED.

**CWI'S POSITION:**

ON 6-3-93, CWI FILED A RESPONSE TO AT&T'S OPPOSITION. CWI STATES THAT IT HAS MET ALL FCC REQUIREMENTS FOR MODIFICATION OF ITS STATUS TO NONDOMINANT ON ROUTES WHICH IT RESELLS THE IMTS OF UNAFFILIATED U.S. CARRIERS. CWI BELIEVES AT&T IS TRYING TO INTERJECT IRRELEVANT ISSUES INTO THIS PROCEEDING.



**ISP-93-007-ND**

**REFERENCE NUMBER:** ISP-93-007-ND

**SUBJECT:** CWI APPLICATION FOR NONDOMINANCE STATUS ON CWI'S INTERNATIONAL PRIVATE LINE ROUTES, INCLUDING ROUTES BETWEEN THE U.S. AND THE U.K., AUSTRALIA, SWEDEN, AND JAPAN

**DATE FILED:** 4-15-93

**FCC ACTION:** NONE

**AT&T'S OPPOSITION:**

ON 5-21-93, AT&T FILED COMMENTS URGING THE FCC TO REFRAIN FROM GRANTING "UNILATERAL CONCESSIONS" TO CWI OR TO BT. AT&T ALSO URGES THE FCC TO DENY CWI'S REQUEST FOR NONDOMINANT TREATMENT OF PRIVATE LINE SERVICE TO THE U.K., AUSTRALIA, AND JAPAN EVEN IF THE FCC GRANTS THE APPLICATION.

ON 6-15-93, AT&T FILED A REPLY URGING THE FCC TO DEFER GRANT OF ANY NON-RECIPROCAL BENEFITS TO CWI. AT&T ALSO REITERATES ITS REQUEST THAT THE FCC DENY CWI'S REQUEST FOR NONDOMINANT TREATMENT FOR PRIVATE LINE SERVICE TO THE U.K., AUSTRALIA, AND JAPAN EVEN IF FCC GRANTS THE APPLICATION.

AT&T ALSO ARGUES FOR THE DEVELOPMENT OF A COMPREHENSIVE POLICY TOWARD ASYMMETRICAL MARKET ACCESS BEFORE ALLOWING FURTHER LIBERALIZATION OF FOREIGN PARTICIPATION IN THE U.S. MARKET.

**CWI'S POSITION:**

ON 6-3-93, CWI FILED A RESPONSE TO AT&T'S OPPOSITION. CWI ARGUES THAT AT&T FAILS TO PRESENT FACTS CHALLENGING EVIDENCE THAT CABLE & WIRELESS CARRIERS IN U.K, AUSTRALIA, SWEDEN, AND JAPAN DO NOT POSSESS BOTTLENECK CONTROL, AND THEY ARE UNABLE TO DISCRIMINATE AGAINST U.S. CARRIERS. CWI STATES THAT AT&T'S ARGUMENTS ARE INCONSISTENT INASMUCH AS THEY DO NOT CHALLENGE CWI'S PROPOSED NONDOMINANCE TREATMENT TO SWEDEN.

**ISP-94-002**

**REFERENCE NUMBER:** ISP-94-002

**SUBJECT:** CWI PETITION FOR A DECLARATORY RULING CONCERNING THE APPLICATION OF SECTION 310(b)(4) OF THE COMMUNICATIONS ACT TO UNITED KINGDOM CORPORATIONS.

**DATE FILED:** 1-5-94

**FCC ACTION:** NONE

**AT&T'S OPPOSITION:**

AT&T URGES THE FCC TO REJECT BLANKET WAIVERS OF SEC. 310(b)(4) AND TO ADOPT A CASE-BY-CASE APPROACH. AT&T STATES THAT COMPARABILITY IS THE APPROPRIATE STANDARD TO PERMIT FOREIGN CARRIERS TO OWN COMMON CARRIER LICENSED FACILITIES AND THAT THE U.K. FAILS THIS STANDARD.

SPRINT ARGUES AGAINST FCC GRANT OF BLANKET WAIVERS. SPRINT POINTS TO HARDSHIPS IN OBTAINING A PTO LICENSE AND POSSIBLE INTERCONNECTION PROBLEMS AS REASONS FOR INEQUIVALENCY OF U.K. MARKET.

McCAW ADVOCATES A CASE-BY-CASE APPROACH TO WAIVERS.

**CWI'S POSITION:**

CWI ASKS FCC FOR A DECLARATORY RULING THAT THE PUBLIC INTEREST WARRANTS GRANT OF COMMON CARRIER RADIO LICENSES IN CASES IN WHICH U.K. ENTITIES POSSESS INDIRECT OWNERSHIP OR CONTROL INTERESTS IN RADIO LICENSEES IN EXCESS OF THE SECTION 310(b)(4) BENCHMARKS. CWI URGES FCC TO EXPEDITIOUSLY GRANT ITS PETITION AND ISSUE A RULING AT LEAST CONTEMPORANEOUSLY WITH THE FINALIZATION OF THE FCC'S AUCTION RULES. CWI ALSO ASKS THAT IT AND SIMILARLY SITUATED U.K. CORPORATIONS BE PERMITTED TO PARTICIPATE IN SPECTRUM ACTIONS AND OBTAIN RADIO LICENSES WITHOUT A SEPARATE SECTION 310(b)(4) DETERMINATION IN EACH CASE. CWI MAKES THE FOLLOWING ARGUMENTS IN SUPPORT OF ITS PETITION:

- SECTION 310(b)(4) RESTRICTIONS SERVE NO CONCEIVABLE NATIONAL SECURITY INTEREST WITH REGARD TO PARTICIPATION IN COMMON CARRIER RADIO LICENSES BY U.K. HOLDING COMPANIES.

ISP-94-002 (CON'T)

CWI'S POSITION (CON'T):

- GRANT OF THE PETITION WILL ENSURE THE CONTINUED OPENNESS OF THE U.K. MARKET FOR U.S. INVESTMENT, PROMOTE INCREASED COMPETITION AND CONSUMER BENEFIT, AND EASE THE WAY TOWARD EXPANDED U.S. INTERNATIONAL INVESTMENT.
- SECTION 310(b)(4) UNDERCUTS THE U.S. NEGOTIATING POSITION FOR GREATER ACCESS TO OVERSEAS MARKETS.
- CWI STATES THAT THE U.K. HAS NO FOREIGN OWNERSHIP RESTRICTIONS ON RADIO LICENSEES IN THAT COUNTRY.
- CWI POINTS OUT A WIDE VARIETY OF EXAMPLES OF U.S. CORPORATIONS WHICH HAVE OWNERSHIP INTERESTS IN U.K. RADIO LICENSEES.

ON 2-28-94, CWI FILED A RESPONSE URGING THE FCC TO EXPEDITIOUSLY GRANT ITS PETITION. CWI STATES THAT THERE HAS BEEN NO DISPUTE THAT THE U.K. IMPOSES NO LIMITATION ON U.S. OWNERSHIP OF RADIO-BASED CARRIERS, WHILE THE U.S. DOES. CWI ARGUES THAT THERE IS NO BASIS FOR ASSERTIONS THAT THE FCC LACKS AUTHORITY TO MAKE COUNTRY-BY-COUNTRY EQUIVALENCY DETERMINATIONS ON FOREIGN OWNERSHIP.

OTHER SUPPORTING COMMENTS:

NYNEX STATES THAT GRANT OF CWI'S PETITION WILL PROMOTE SIGNIFICANT PUBLIC BENEFIT FOR THE PCS MARKET AND WILL HELP ENSURE THE CONTINUED OPENNESS OF THE U.K. MARKET FOR U.S. INVESTMENT.

US WEST STATES THAT THE BEST MEANS TO OPEN FOREIGN MARKETS TO U.S. FIRMS IS TO POINT TO THE OPENNESS OF THE U.S. MARKET TO FOREIGN FIRMS.

UNIVISA SUPPORTS CWI'S PETITION AND ARGUES THAT RELIEF FROM SEC. 310(b) SHOULD BE AFFORDED TO ENTITIES FROM ALL FRIENDLY NATIONS.

SECURICOR SUPPORTS CWI'S PETITION AS LEGALLY SOUND AND STATES THAT GRANT OF THE PETITION WILL PROMOTE COMPETITION IN THE U.S.

BT STATES THAT ELEMENTS OF FAIRNESS FAVOR GRANT OF CWI'S PETITION GIVEN OPENNESS OF THE U.K. MARKET.

ISP-94-002 (CON'T)

OTHER SUPPORTING COMMENTS (CON'T):

GEOTEK FAVORS GRANT OF SEC. 310(b) RELIEF TO "FRIENDLY NATIONS."

GTE OBJECTS TO A BLANKET WAIVER OF SEC. 310(b) RESTRICTIONS AND ADVOCATES A CASE-BY-CASE APPROACH.

ON 2-28-94, COMSAT FILED REPLY COMMENTS SUPPORTING PARTICIPATION BY CWI IN THE UPCOMING ACTIONS OF PCS SPECTRUM. COMSAT ARGUES THAT A DEMONSTRATION OF GREATER FLEXIBILITY BY THE FCC IN USING ITS DISCRETIONARY POWERS UNDER SEC. 310(b)(4) WILL HELP PREVENT IMPOSITION OF EVEN GREATER CONTROLS ON U.S. OWNERSHIP OF SIMILAR FACILITIES IN FOREIGN COUNTRIES AND WILL HELP PROMOTE GLOBAL INVESTMENT IN NEW TECHNOLOGIES.

**SETTLE. IMBAL.**

**Table 1. International Revenue and Operating Statistics for 1980–1992**  
(Revenue and Settlement amounts shown in millions)

Category	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
<b>U.S. Billed Revenues 1/</b>													
Telephone	\$2,097	\$2,239	\$2,382	\$2,876	\$3,197	\$3,487	\$4,004	\$4,750	\$5,800	\$6,901	\$8,042	\$9,096	\$10,179
Telex	\$325	\$350	\$363	\$379	\$394	\$415	\$390	\$360	\$310	\$243	\$196	\$200	\$155
Telegraph	\$63	\$62	\$56	\$54	\$46	\$45	\$42	\$35	\$30	\$27	\$24	\$15	\$16
Private Line	\$115	\$126	\$138	\$154	\$158	\$172	\$175	\$191	\$194	\$208	\$201	\$303	\$313
Miscellaneous												\$23	\$24
<b>Total Billed Revenues</b>	<b>\$2,599</b>	<b>\$2,777</b>	<b>\$2,940</b>	<b>\$3,463</b>	<b>\$3,794</b>	<b>\$4,119</b>	<b>\$4,611</b>	<b>\$5,336</b>	<b>\$6,334</b>	<b>\$7,379</b>	<b>\$8,464</b>	<b>\$9,637</b>	<b>\$10,687</b>
<b>Net Settlements 2/</b>													
Telephone	(\$347)	(\$531)	(\$712)	(\$950)	(\$1,203)	(\$1,130)	(\$1,414)	(\$1,675)	(\$2,028)	(\$2,398)	(\$2,762)	(\$3,298)	(\$3,344)
Telex	\$13	\$1	\$8	\$6	\$23	\$21	\$11	\$9	\$3	\$5	\$1	\$2	\$8
Telegraph	(\$30)	(\$31)	(\$29)	(\$28)	(\$22)	(\$18)	(\$13)	(\$10)	(\$8)	(\$6)	(\$4)	\$0	(\$0)
Miscellaneous												\$17	\$11
<b>Total Net Settlements</b>	<b>(\$365)</b>	<b>(\$561)</b>	<b>(\$733)</b>	<b>(\$972)</b>	<b>(\$1,201)</b>	<b>(\$1,127)</b>	<b>(\$1,416)</b>	<b>(\$1,676)</b>	<b>(\$2,033)</b>	<b>(\$2,400)</b>	<b>(\$2,765)</b>	<b>(\$3,279)</b>	<b>(\$3,325)</b>
<b>Net Revenues</b>													
Telephone	\$1,750	\$1,708	\$1,670	\$1,926	\$1,994	\$2,358	\$2,590	\$3,074	\$3,772	\$4,503	\$5,280	\$5,798	\$6,835
Telex	\$338	\$350	\$371	\$385	\$417	\$436	\$401	\$370	\$313	\$248	\$197	\$202	\$163
Telegraph	\$32	\$31	\$28	\$26	\$24	\$27	\$29	\$25	\$22	\$21	\$20	\$16	\$15
Private Line	\$115	\$126	\$138	\$154	\$158	\$172	\$175	\$191	\$194	\$208	\$201	\$303	\$313
Miscellaneous												\$40	\$35
<b>Total Net Revenue</b>	<b>\$2,235</b>	<b>\$2,216</b>	<b>\$2,207</b>	<b>\$2,491</b>	<b>\$2,593</b>	<b>\$2,992</b>	<b>\$3,195</b>	<b>\$3,659</b>	<b>\$4,301</b>	<b>\$4,979</b>	<b>\$5,699</b>	<b>\$6,358</b>	<b>\$7,362</b>
<b>Billed Revenue per Unit</b>													
Telephone per Minute	\$1.34	\$1.21	\$1.09	\$1.09	\$1.05	\$1.03	\$0.99	\$1.02	\$1.06	\$1.07	\$1.06	\$1.01	\$1.00
Telex per Minute	\$2.47	\$2.26	\$2.23	\$2.14	\$2.14	\$2.19	\$2.17	\$2.30	\$2.51	\$2.69	\$2.68	\$3.13	\$3.02
Telegraph per Word	\$0.19	\$0.20	\$0.22	\$0.22	\$0.25	\$0.28	\$0.34	\$0.35	\$0.36	\$0.36	\$0.44	\$0.41	\$0.48
<b>Satellite Service</b>													
Comsat 3/	\$161	\$189	\$250	\$291	\$278	\$285	\$320	\$334	\$244	\$273	\$303	\$360	\$395
<b>Resale of</b>													
Telephone Service 4/								\$14	\$65	\$113	\$167	\$440	\$511

- 1/ U.S. Billed Revenues are the amounts billed by U.S. Carriers. The amounts billed by foreign carriers are not known. The data in this table are derived from the annual publication "Statistics of Communications Common Carriers". See Appendix 1 for information on reporting changes over time and adjustments made to published figures.
- 2/ Net settlements represents settlement receipts from foreign telephone companies minus settlement payments to foreign telephone companies. Starting with 1991, settlements include transiting traffic. There are no settlement payments associated with private line services.
- 3/ Comsat information includes business from Intelsat, Inmarsat, and multi-purpose earth stations.
- 4/ Carriers began reporting resale traffic separately from facilities based traffic in 1991. The amounts shown for 1987 through 1990 are included in the billed revenue data presented above.  
Since 1985 – when international competition began – U.S. billed revenues have grown much more rapidly than settlement payments so that U.S. net revenues have increased by \$4.477 billion



Table 4: International Telephone Service Traffic Data, 1980-1992 1/  
(Message, Minute and Revenue Amounts are Shown in Millions)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	Annual rate of growth 4/
U.S. Minutes	1,569	1,857	2,187	2,650	3,037	3,446	4,126	4,819	5,679	6,751	8,030	8,986	10,156	16.3%
Foreign Minutes 2/	1,162	1,437	1,613	1,808	1,971	2,263	2,511	2,823	3,228	3,810	4,341	4,707	5,248	13.3%
Transiting Minutes												271	393	
Total Minutes	2,732	3,294	3,799	4,458	5,008	5,709	6,637	7,642	8,908	10,561	12,371	13,663	15,797	15.8%
U.S. Messages	199	233	274	322	367	425	515	625	767	941	1,105	1,371	1,643	21.2%
Foreign Messages	165	202	227	262	288	339	397	479	593	715	826	901	1,067	16.7%
Total Messages	364	435	501	584	655	767	874	1,025	1,233	1,485	1,723	2,272	2,710	21.6%
Average Minutes per Message														
U.S. Calls	7.9	8.0	8.0	8.2	8.3	8.1	8.0	7.7	7.4	7.2	7.3	6.6	6.2	
Foreign Calls	7.0	7.1	7.1	6.9	6.8	6.7	6.3	5.9	5.4	5.3	5.3	5.2	4.9	
All Telephone Calls	7.5	7.6	7.6	7.6	7.6	7.6	7.6	7.5	7.2	7.1	7.2	6.1	5.8	
Billed Revenues	\$2,097	\$2,239	\$2,382	\$2,876	\$3,197	\$3,487	\$4,004	\$4,750	\$5,800	\$6,901	\$8,042	\$9,096	\$10,179	16.4%
Settlement Payments	\$1,063	\$1,330	\$1,674	\$2,036	\$2,269	\$2,398	\$2,865	\$3,423	\$4,039	\$4,735	\$5,297	\$5,792	\$5,945	12.0%
Retained Billed Revenue	\$1,034	\$910	\$708	\$841	\$928	\$1,089	\$1,140	\$1,327	\$1,761	\$2,166	\$2,745	\$3,304	\$4,234	25.4%
Settlement Receipts	\$716	\$799	\$961	\$1,086	\$1,066	\$1,243	\$1,396	\$1,671	\$1,906	\$2,213	\$2,426	\$2,569	\$2,434	7.8%
Transiting Traffic Receipts												\$281	\$366	
Transiting Traffic Payments												\$156	\$199	
Net Settlement Payments	(\$347)	(\$531)	(\$712)	(\$950)	(\$1,203)	(\$1,159)	(\$1,477)	(\$1,789)	(\$2,199)	(\$2,620)	(\$2,981)	(\$3,298)	(\$3,344)	13.6%
Net Revenue 3/	\$1,750	\$1,708	\$1,670	\$1,926	\$1,994	\$2,328	\$2,527	\$2,961	\$3,600	\$4,281	\$5,062	\$5,798	\$6,835	
Per Minute of U.S. Traffic:														
U.S. Billings	\$1.34	\$1.21	\$1.09	\$1.09	\$1.05	\$1.01	\$0.97	\$0.99	\$1.02	\$1.02	\$1.00	\$1.01	\$1.00	
Settlement Payments	\$0.68	\$0.72	\$0.77	\$0.77	\$0.75	\$0.70	\$0.69	\$0.71	\$0.71	\$0.70	\$0.66	\$0.64	\$0.59	
Retained Revenue	\$0.66	\$0.49	\$0.32	\$0.32	\$0.31	\$0.32	\$0.28	\$0.28	\$0.31	\$0.32	\$0.34	\$0.37	\$0.42	
Per Minute of Foreign Traffic:														
Settlement Receipts	\$0.62	\$0.56	\$0.60	\$0.60	\$0.54	\$0.55	\$0.56	\$0.59	\$0.59	\$0.58	\$0.56	\$0.50	\$0.46	
Per Transiting Minute-Revenue												\$0.46	\$0.43	
Net Revenue per Minute	\$0.64	\$0.52	\$0.44	\$0.43	\$0.40	\$0.41	\$0.38	\$0.39	\$0.40	\$0.41	\$0.41	\$0.42	\$0.43	
Percent Billings for Settlements	50.7%	59.4%	70.3%	70.8%	71.0%	68.8%	71.5%	72.1%	69.6%	68.6%	65.9%	63.7%	58.4%	
Average Price for a U.S. call	\$10.53	\$9.61	\$8.70	\$8.92	\$8.71	\$8.20	\$7.77	\$7.60	\$7.56	\$7.34	\$7.28	\$6.63	\$6.20	

1/ The data in this table are derived from the annual FCC publication "Statistics of Communications Common Carriers" (SOCC). The SOCC includes data for Canada and Mexico starting in 1991. AT&T data for Canada and Mexico have been added to the SOCC data for 1980 through 1990. In addition, the SOCC data for 1980 through 1984 were adjusted to remove data for Alaska, Hawaii, and Puerto Rico. Starting in 1991, the SOCC shows totals with and without non-domestic traffic between U.S. points. The table uses the totals for foreign points, which exclude non-domestic traffic between U.S. points. Appendix 1 summarizes known inconsistencies in the data and provides selected traffic data for service with Canada and Mexico. Transiting traffic was first published in the SOCC for 1991.

2/ Many countries charge for service on the basis of metered pulses, rather than by call minutes as in the United States. The pulses are converted to minutes to facilitate settlements. U.S. carriers report these amounts as foreign billed minutes.

3/ U.S. traffic generally exceeds foreign traffic. Since settlements payments are based on traffic, there is usually a net settlement payment by U.S. carriers, shown as a negative amount in the table. Net revenue is the retained revenue from U.S. billed calls plus the settlement amount from foreign billed calls. U.S. carriers report both settlement receipts and settlement payments for transiting calls in cases where the operating agreements have cascade billing arrangements.

4/ The annual rates of growth were estimated using log linear regression with data for 1987 through 1992.

Retained revenue per minute has also increased over the same time period from \$.32/minute to \$.42/minute. This is a 31% increase.

Table 9: AT&T Rates for 7 Minute Direct-Dialed Calls During the Standard Rate Period 1/

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Australia	\$13.70	\$13.70	\$12.84	\$12.58	\$11.72	\$11.72	\$11.72	\$11.12	\$10.60	\$10.60	\$10.60	\$10.96	\$10.96
Brazil	\$9.85	\$9.85	\$9.26	\$9.26	\$9.26	\$9.26	\$9.26	\$9.26	\$8.74	\$8.74	\$8.74	\$10.18	\$10.42
Canada 2/	\$4.77	\$4.77	\$4.48	\$4.76	\$4.48	\$4.48	\$4.48	\$4.28	\$4.07	\$4.07	\$4.07	\$4.28	\$4.28
China	n.o.	n.o.	n.o.	n.o.	\$14.46	\$14.46	\$14.46	\$14.46	\$14.46	\$14.46	\$15.06	\$15.36	\$15.36
Colombia	\$9.85	\$9.85	\$9.26	\$9.26	\$9.26	\$9.26	\$9.26	\$9.26	\$9.05	\$9.05	\$9.05	\$10.43	\$10.85
Dominican Rep.	\$8.46	\$8.46	\$7.94	\$7.94	\$7.94	\$7.94	\$7.94	\$7.94	\$7.81	\$7.81	\$7.81	\$8.41	\$9.19
Egypt	\$11.77	\$11.77	\$11.05	\$11.05	\$11.05	\$11.05	\$11.05	\$11.05	\$11.05	\$11.05	\$11.05	\$12.19	\$12.67
El Salvador	\$9.40	\$9.40	\$8.82	\$8.82	\$8.82	\$8.82	\$8.82	\$8.82	\$8.61	\$8.61	\$8.61	\$9.57	\$10.17
France	\$10.35	\$10.35	\$9.73	\$9.49	\$8.48	\$8.48	\$8.48	\$8.48	\$8.07	\$8.07	\$8.07	\$8.19	\$8.19
Germany 3/	\$10.35	\$10.35	\$9.73	\$9.49	\$8.48	\$8.48	\$8.48	\$8.48	\$8.31	\$8.31	\$8.31	\$8.31	\$8.31
India	n.o.	\$26.94	\$25.31	\$24.54	\$21.52	\$21.52	\$21.52	\$16.44	\$16.44	\$16.44	\$16.44	\$15.53	\$15.53
Israel	\$11.66	\$11.66	\$10.96	\$10.96	\$10.96	\$10.96	\$10.96	\$10.96	\$10.18	\$10.18	\$10.18	\$11.02	\$11.68
Italy	\$10.35	\$10.35	\$9.73	\$9.37	\$8.48	\$8.48	\$8.48	\$8.48	\$8.12	\$8.12	\$8.12	\$9.14	\$9.38
Japan	\$13.70	\$13.70	\$12.84	\$12.58	\$11.72	\$11.72	\$11.72	\$11.72	\$10.49	\$10.49	\$10.49	\$10.49	\$10.49
Jamaica	\$8.46	\$8.46	\$7.94	\$7.42	\$7.42	\$7.42	\$7.42	\$7.42	\$7.42	\$7.42	\$7.42	\$8.44	\$8.98
Korea, Rep. of	\$13.70	\$13.70	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$11.90	\$11.90	\$11.90	\$11.90	\$11.90
Mexico 2/	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$11.07	\$11.07	\$10.23	\$10.09	\$9.88	\$10.35	\$10.35
Nigeria	\$11.77	\$11.77	\$11.05	\$10.57	\$8.66	\$8.66	\$8.66	\$8.66	\$8.66	\$9.69	\$9.69	\$10.23	\$10.47
Philippines	\$13.70	\$13.70	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$11.65	\$11.65	\$11.65	\$12.91	\$13.27
Poland	n.o.	\$10.35	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.73	\$9.97
Russia 4/	n.o.	n.o.	n.o.	n.o.	n.o.	n.o.	n.o.	\$14.31	\$14.31	\$14.31	\$14.31	\$14.31	\$14.97
Saudi Arabia	\$11.66	\$11.66	\$10.96	\$10.78	\$10.09	\$10.09	\$10.09	\$10.09	\$10.09	\$10.09	\$10.09	\$11.29	\$11.59
South Africa	\$11.77	\$11.77	\$11.05	\$10.57	\$8.66	\$8.66	\$8.66	\$8.66	\$8.66	\$8.66	\$8.66	\$9.50	\$10.34
Taiwan	\$13.70	\$13.70	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$12.84	\$12.19	\$12.19	\$12.19	\$12.19	\$12.19
United Kingdom	\$9.64	\$9.64	\$9.03	\$8.73	\$7.59	\$7.59	\$7.59	\$7.45	\$7.08	\$7.08	\$7.08	\$7.20	\$7.20
Rate Index	100.0	100.0	93.9	94.6	87.9	87.9	87.9	86.6	82.0	81.8	81.5	85.2	86.2
% changes		0.0%	-6.1%	0.7%	-7.1%	0.0%	0.0%	-1.5%	-5.3%	-0.2%	-0.4%	4.5%	1.2%

NOTE: "n.o." is shown if direct-dialed service was not offered at that time. "n.a." indicates not available.

1/ Tariff rates do not include taxes or surcharges. Year-end rates are shown for 1980 through 1993. January rates are shown for 1994.

2/ Tariff rates for traffic to Canada and Mexico are distance sensitive. The rates shown for Canada are for 1000 mile calls. A "sum of local rates" pricing scheme is used for service to Mexico. For a call to Mexico, AT&T charges its standard domestic rates for the distance to the Mexican border, and also bills the customer for the amount that the Mexican telephone company charges from the border crossing to the destination. Table 7 shows total charges for calls from Washington D.C. to Mexico City.

3/ Rates for West Germany through 1990.

4/ Rates shown are for service to Moscow.

Since 1985, prices on many major routes have either been constant or increased. Fourteen routes increased since 1986; 24 of 25 since 1990 - only India - continues decrease. At the same time, accounting rates have fallen.

Table 10. Net Revenue from International Services 1/  
(Amounts shown in millions)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
<b>Telephone</b>													
Alascom	\$1.6	\$1.9	\$2.6	\$3.6	\$4.0	\$3.3	\$4.5	\$5.0	\$5.6	\$4.9	\$2.8	\$5.6	\$6.3
All America Cable & Radio	\$14.1	\$15.0	\$20.8	\$24.7	\$27.0	N/A	N/A	N/A	N/A	---	---	---	---
AT&T	\$1,402.7	\$1,526.7	\$1,336.1	\$1,562.6	\$1,728.9	\$1,765.7	\$1,852.1	\$2,100.2	\$2,017.6	\$2,945.8	\$3,363.5	\$4,388.9	\$4,956.4
Cuban American	\$3.5	\$4.6	\$4.5	\$5.0	\$4.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FTC Communications	---	---	---	---	---	---	---	\$9.2	\$5.2	\$6.4	---	---	---
GTE / Hawaiian Telephone	\$117.4	\$116.7	\$126.2	\$123.3	\$26.7	\$26.5	\$25.5	\$10.0	\$19.1	\$27.8	\$33.7	\$26.2	\$31.6
ITT Communications-V.I.	\$8.6	\$8.7	\$10.0	\$17.8	\$12.0	N/A	N/A	N/A	N/A	---	---	---	---
MCI / WUI	---	---	---	---	---	\$13.9	\$60.4	\$112.1	\$189.3	\$362.2	\$527.6	\$671.0	\$1,379.4
Sprint	---	---	---	---	---	\$1.8	\$15.3	\$39.0	\$73.2	\$153.4	\$287.6	\$406.3	\$525.7
TNT Telecommunications	---	---	---	---	---	---	---	\$1.2	\$5.6	\$10.8	\$18.4	\$12.5	\$8.3
Other Carriers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$90.0	\$65.5
<b>Total</b>	<b>\$1,549.0</b>	<b>\$1,673.6</b>	<b>\$1,502.3</b>	<b>\$1,737.0</b>	<b>\$1,805.5</b>	<b>\$1,843.2</b>	<b>\$1,957.8</b>	<b>\$2,336.6</b>	<b>\$2,015.5</b>	<b>\$3,513.4</b>	<b>\$4,235.7</b>	<b>\$5,902.4</b>	<b>\$6,874.2</b>
<b>Telex</b>													
AT&T	---	---	---	---	---	---	---	---	---	---	---	\$63.6	\$52.0
FTC Communications	\$2.9	\$3.8	\$4.3	\$5.1	\$7.5	\$8.4	\$10.6	\$8.8	\$8.2	\$8.5	---	---	---
ITT Worldcom	\$113.4	\$121.0	\$129.8	\$121.5	\$120.1	\$113.2	\$108.0	\$102.0	---	---	---	---	---
MCI / WUI	---	---	---	\$83.2	\$87.3	\$79.2	\$73.1	\$62.2	\$53.7	\$59.0	\$101.6	\$90.8	\$77.1
RCA Globcom	\$106.0	\$104.6	\$100.5	\$107.5	\$117.8	\$117.3	\$109.2	\$100.1	\$89.2	\$74.2	---	---	---
Sprint	---	---	---	---	---	---	---	---	---	---	N/A	\$0.7	\$0.7
TNT Telecommunications	\$24.0	\$32.4	\$37.9	\$36.1	\$46.9	\$52.6	\$56.3	\$60.4	\$48.8	\$45.1	\$50.5	\$47.6	\$34.2
Western Union	---	---	---	---	\$28.5	\$33.1	\$38.0	\$34.8	\$107.9	\$88.2	\$39.5	---	---
Western Union International	\$77.0	\$89.3	\$91.6	---	---	---	---	---	---	---	---	---	---
Other Carriers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0.3	\$0.1
<b>Total</b>	<b>\$323.3</b>	<b>\$351.2</b>	<b>\$364.1</b>	<b>\$357.3</b>	<b>\$408.0</b>	<b>\$404.8</b>	<b>\$394.2</b>	<b>\$369.3</b>	<b>\$299.9</b>	<b>\$274.0</b>	<b>\$211.6</b>	<b>\$202.8</b>	<b>\$184.2</b>
<b>Telegraph</b>													
AT&T	---	---	---	---	---	---	---	---	---	---	---	\$4.8	\$7.2
FTC Communications	\$0.7	\$0.9	\$0.8	\$0.8	\$1.1	\$1.2	\$1.2	\$1.1	\$0.9	\$0.9	---	---	---
ITT Worldcom	\$10.8	\$8.7	\$8.6	\$7.1	\$4.6	\$5.2	\$5.7	\$5.0	---	---	---	---	---
MCI / WUI	---	---	---	\$5.7	\$4.1	\$4.1	\$4.8	\$4.1	\$3.0	\$3.4	\$7.6	\$6.6	\$5.6
RCA Globcom	\$10.8	\$8.7	\$8.1	\$6.6	\$5.7	\$7.1	\$7.1	\$4.3	\$3.2	\$2.9	---	---	---
TNT Telecommunications	\$3.8	\$4.0	\$4.1	\$3.3	\$2.8	\$3.4	\$3.6	\$3.4	\$3.2	\$2.8	\$5.6	\$4.0	\$2.7
U.S. - Liberia	\$0.1	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	---	---
Western Union	---	---	---	---	\$2.7	\$5.6	\$7.8	\$6.5	\$10.5	\$10.3	\$11.5	---	---
Western Union International	\$11.7	\$11.1	\$8.1	---	---	---	---	---	---	---	---	---	---
Other Carriers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0.0	\$0.0
<b>Total</b>	<b>\$37.9</b>	<b>\$35.5</b>	<b>\$30.1</b>	<b>\$23.6</b>	<b>\$21.3</b>	<b>\$26.7</b>	<b>\$30.5</b>	<b>\$24.6</b>	<b>\$21.0</b>	<b>\$20.3</b>	<b>\$24.7</b>	<b>\$15.7</b>	<b>\$15.5</b>

See note on first page of table.

Result: AT&T's net revenue increased by 3.1 Billion between 1985 and 1992, even as MCI and Sprint captured market share.

Table 14. Telephone Service Accounting Rates for Selected Countries 1/

	Year End Data														Mar. 1
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Brazil	\$3.00	\$3.00	\$3.00	\$3.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$1.60	\$1.50	\$1.40	\$1.35
Canada 1/	N/A	N/A	N/A	N/A	N/A	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.28	\$0.28	\$0.28	\$0.28	\$0.26
China	N/A	N/A	N/A	N/A	N/A	9.0GF	9.0GF	9.0GF	9.0GF	8.0GF	8.0GF	7.5GF	7.5GF	6.5GF	6.0GF
Colombia	\$2.20	\$2.10	\$2.10	\$2.10	\$2.00	\$2.00	\$2.00	\$1.90	\$1.85	\$1.85	\$1.75	\$1.60	\$1.55	\$1.50	\$1.50
Dominican Republic 1/	N/A	N/A	N/A	N/A	N/A	\$1.45	\$1.45	\$1.45	\$1.45	\$1.45	\$1.42	\$1.39	\$1.36	\$1.29	\$1.29
France 1/ 2/	1.6 SDR	1.6 SDR	1.6 SDR	1.6 SDR	1.6 SDR	1.6 SDR	1.4 SDR	1.4 SDR	1.4 SDR	1.2 SDR	1.2 SDR	1.0 SDR	0.7 SDR	0.7 SDR	0.7 SDR
Germany 2/	1.6 SDR	1.6 SDR	1.3 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.2 SDR	1.0 SDR	0.8 SDR	0.6 SDR	0.6 SDR
Israel 1/	\$3.00	\$3.00	\$2.50	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.28	\$2.16	\$2.16
Italy 2/	5.5GF	5.0GF	5.0GF	5.0GF	5.0GF	5.0GF	5.0GF	5.0GF	5.0GF	5.0GF	4.6GF	4.38GF	1.2 SDR	1.1 SDR	1.0 SDR
Japan 2/	\$3.00	\$3.00	\$2.66	\$2.66	\$2.66	\$2.35	\$2.35	\$2.35	1.34 SDR	1.34 SDR	1.34 SDR	1.13 SDR	0.95 SDR	0.75 SDR	0.75 SDR
Korea, Rep.	\$3.00	\$3.00	\$3.00	\$3.00	\$2.80	\$2.80	\$2.60	\$2.52	\$2.44	\$2.36	\$2.10	\$1.90	\$1.60	\$1.44	\$1.44
Mexico 3/	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1.45	\$1.32	\$1.16	\$1.10	\$1.00	\$1.00
Philippines	\$2.70	\$2.70	\$2.70	\$2.70	\$2.60	\$2.30	\$2.30	\$2.15	\$2.00	\$1.96	\$1.82	\$1.85	\$1.68	\$1.68	\$1.68
Spain 1/ 2/	5.3GF	5.3GF	5.3GF	5.3GF	5.3GF	5.3GF	5.3GF	5.3GF	1.7 SDR	1.4 SDR	1.4 SDR	1.5 SDR	1.5 SDR	1.3 SDR	1.3 SDR
Taiwan	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00	\$2.00	\$2.00	\$1.90	\$1.80	\$1.60	\$1.40	\$1.20	\$1.20
United Kingdom 1/ 2/	\$1.20	\$1.20	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	.48 SDR	0.54 SDR	0.44 SDR	0.44 SDR

1/ Where more than one PTT connects with U.S. carriers, the table shows rates for the first carrier providing service. These include Korea Telecom in Korea, Kokusai Denshin Denwa in Japan, PLDT in the Philippines, CODETEL in the Dominican Republic, and British Telecom in the United Kingdom. Accounting rates may vary by time of day, or by volume of traffic. The table shows peak period accounting rates. Off-peak accounting rates have been in effect for some countries at various times. The following shows the lowest off peak rates in effect.

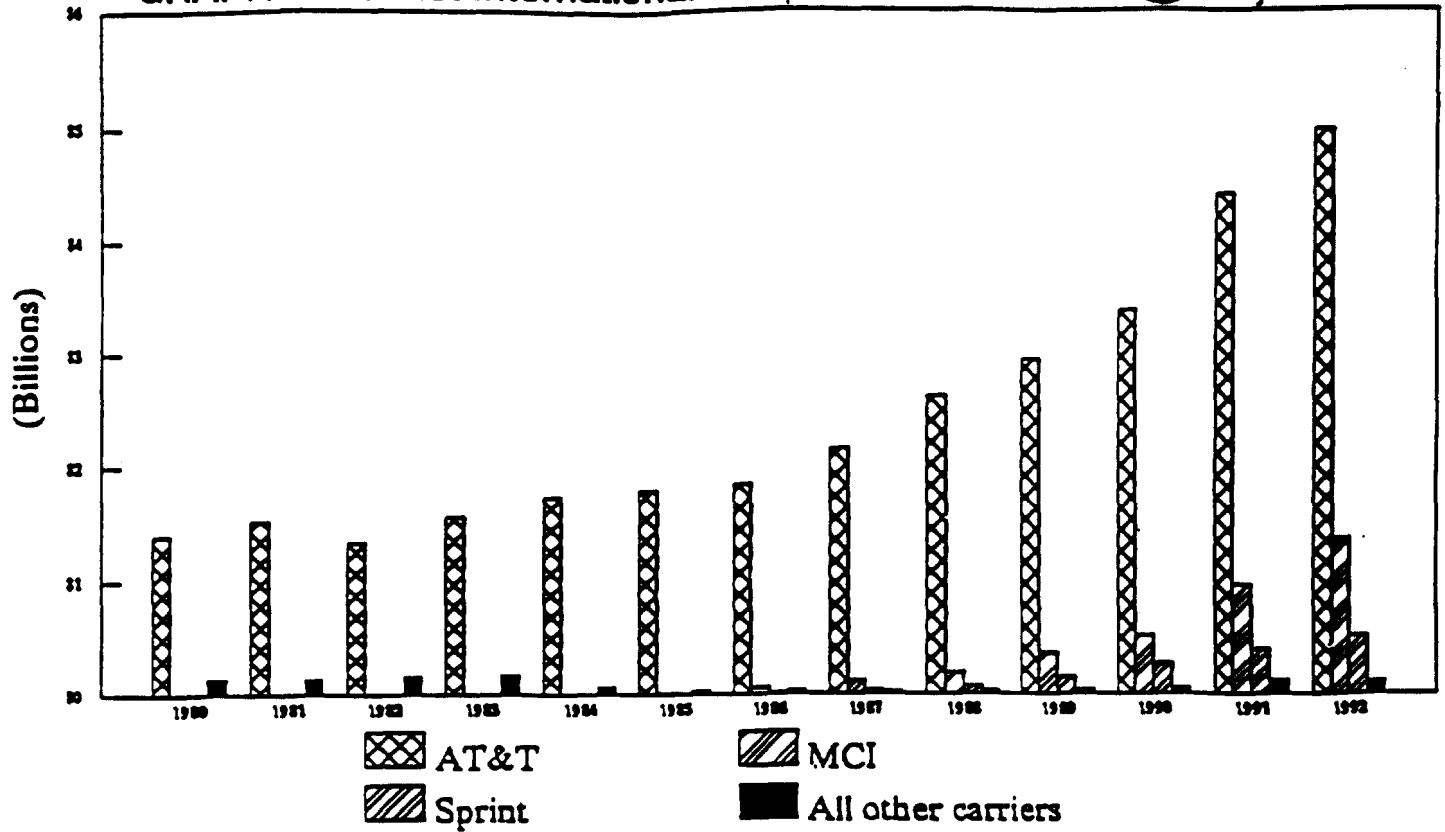
Canada							\$0.38	\$0.38	\$0.38	\$0.38	\$0.24	\$0.24	\$0.24	\$0.24	\$0.22
Dominican Republic							\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.60		
France											1.0 SDR	0.8 SDR			
Israel	\$2.25	\$2.25				\$2.10	\$2.10	\$1.90	\$1.90	\$1.90	\$1.90	\$1.90	\$1.63	\$1.40	\$1.40
Italy									3.67GF	3.67GF	3.67GF	3.67GF		0.8 SDR	0.7 SDR
Philippines										\$1.50	\$1.50	\$1.50	\$1.25	\$1.25	\$1.25
Spain									1.2 SDR	1.2 SDR	1.2 SDR	1.0 SDR	1.0 SDR	0.8 SDR	0.8 SDR
United Kingdom				\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	.48 SDR	.38 SDR	.35 SDR	.35 SDR

2/ Peak period accounting rates that are denominated in Gold France (GF) or Special Drawing Rights (SDR) are shown below in dollars at the prevailing exchange rates.

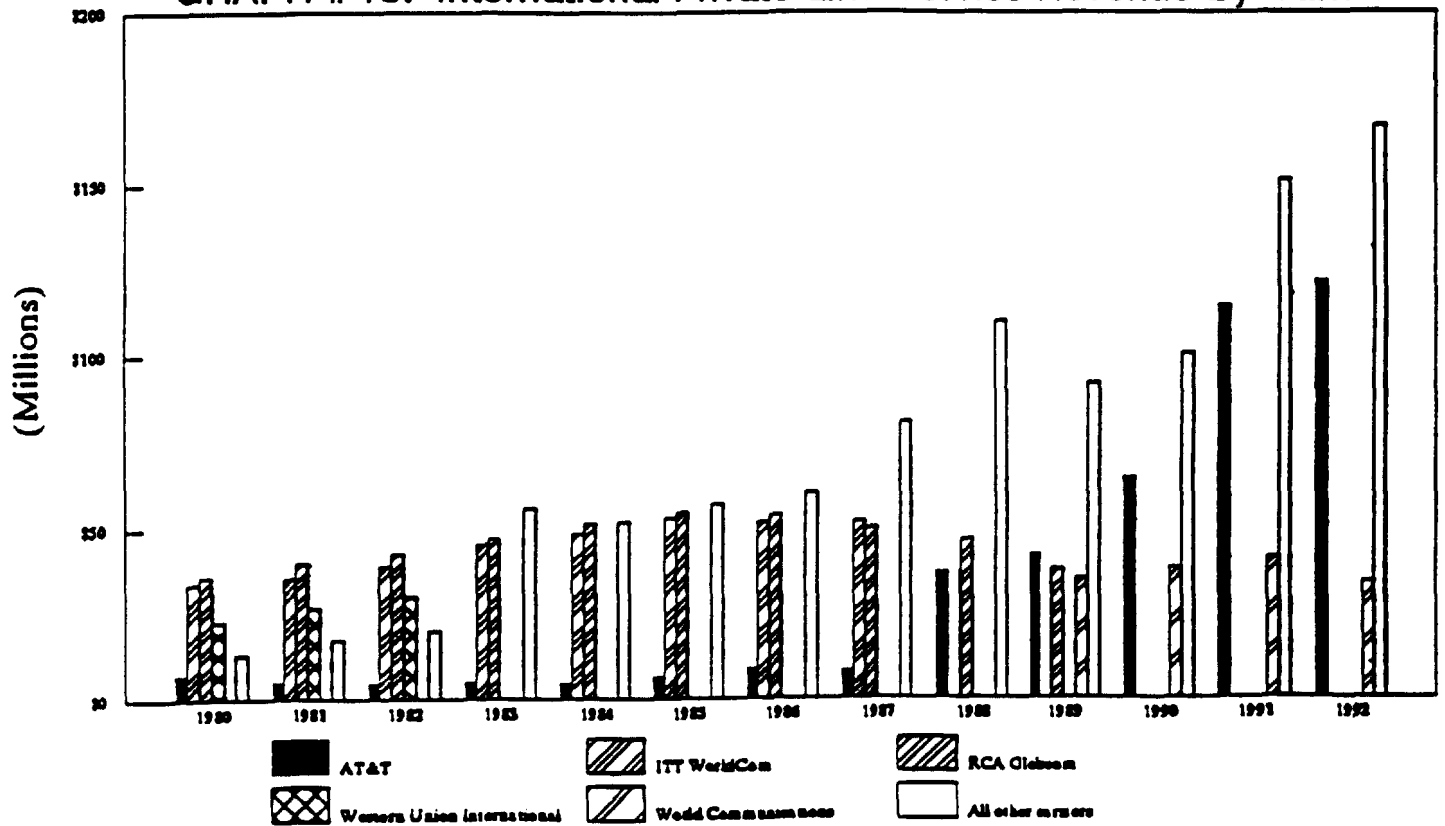
China						\$3.23	\$3.80	\$4.17	\$3.98	\$3.43	\$3.72	\$3.48	\$3.37	\$2.82	\$2.70
France	\$2.04	\$1.88	\$1.76	\$1.68	\$1.57	\$1.76	\$1.71	\$1.99	\$1.88	\$1.58	\$1.71	\$1.43	\$0.96	\$0.96	\$0.96
Germany	\$2.04	\$1.88	\$1.43	\$1.28	\$1.18	\$1.32	\$1.47	\$1.70	\$1.81	\$1.58	\$1.71	\$1.43	\$1.10	\$0.83	\$0.83
Italy	\$2.28	\$1.90	\$1.80	\$1.71	\$1.60	\$1.78	\$2.00	\$2.32	\$2.20	\$2.15	\$2.14	\$2.04	\$1.65	\$1.51	\$1.38
Japan									\$1.80	\$1.78	\$1.81	\$1.62	\$1.31	\$1.03	\$1.03
Spain	\$2.21	\$2.01	\$1.91	\$1.81	\$1.70	\$1.90	\$2.12	\$2.48	\$2.28	\$2.10	\$2.28	\$2.15	\$2.06	\$1.78	\$1.78
United Kingdom												\$0.97	\$0.74	\$0.61	\$0.61

3/ Accounting rates for service between Mexico and the United States vary by service classification and the originating or terminating locations. The rates shown in the table represent a simple average for all accounting rates in effect for service between the United States and Mexico.

GRAPH #17: Net International Telephone Service Revenue by Carrier



GRAPH #18: International Private Line Service Revenue by Carrier



## SETTLEMENT IMBALANCE TRENDS WITH USA

### PERCENTAGE OF MINUTES ATTRIBUTABLE TO HOME DIRECT SERVICES

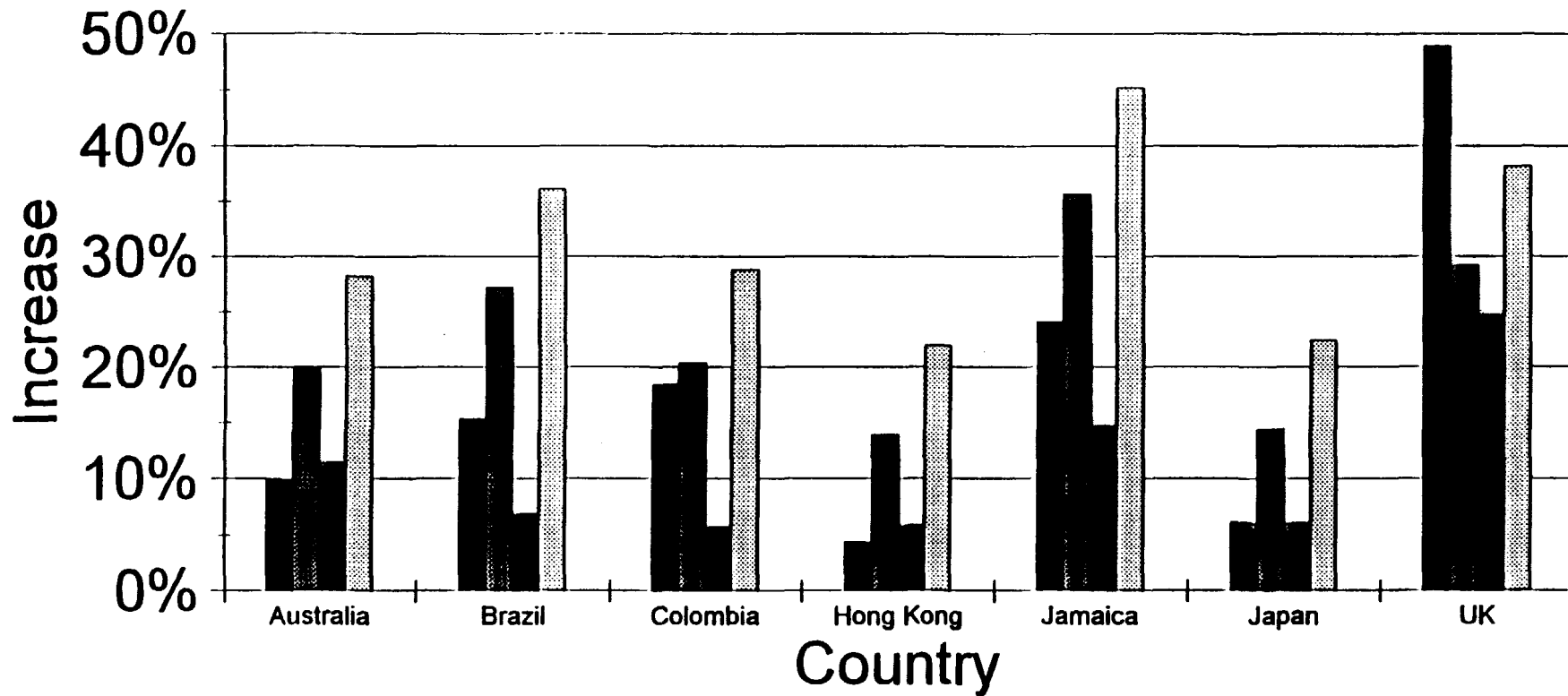
	1989 IMBAL %	1990 IMBAL %	1991 IMBAL %	1992 IMBAL %	1993 IMBAL %
ANGUILLA	0.0	1.7	21.5	22.7	27.0
ANTIGUA	6.6	8.3	34.1	26.9	12.6
BARBADOS	1.1	1.2	1.7	1.5	1.5
BERMUDA	15.7	17.3	12.5	11.0	6.8
CAYMAN	144.1	128.2	106.0	87.1	83.0
DOMINICA	4.3	3.1	2.5	5.4	5.7
GRENADA	5.7	5.2	6.3	8.7	6.9
HONG KONG	5.42	18.09	21.63	19.6	19.3
JAMAICA	N/A	N/A	27.1	23.6	17.0
MONTSERRAT	0.0	3.5	8.9	9.7	6.6
ST. KITTS	1.8	1.5	2.0	15.9	18.4
ST. LUCIA	3.7	4.0	4.2	3.8	5.1
ST. VINCENT	0.0	0.0	0.0	0.0	0.0
TRINIDAD	0.9	0.8	0.9	0.9	0.9
TURKS	10.2	27.6	36.2	32.8	35.9
TORTOLA (BVI)	83.0	61.9	85.8	67.1	51.0
BAHRAIN	---	96.0	91.0	93.0	61.0
YEMEN	---	N/A	0.52	0.65	0.69

#### NOTES:

1. Antigua percentage has dropped for 1993 as 50% of USAD traffic has transferred back to C&W operator collect.
2. Jamaica's reduction is due to fraud difficulties and hence some reduction to collect calling via USAD.

# USADirect Increases

(1992-1994)



 BASIC

 CUSTOMNET

 MEGACOMPLUS

 OPTIMUM

## ***SUMMARY OF USADIRECT RATE INCREASES***

<b><u>COUNTRY</u></b>	<b><u>BASIC</u></b>	<b><u>MEGACOMPLUS</u></b>	<b><u>CUSTOMNET</u></b>	<b><u>OPTIMUM</u></b>
American Samoa			5.13%	
Andorra			8.00%	
Anguilla	33.09%	50.42%	22.99%	60.98%
Antigua	25.77%	41.90%	21.37%	51.80%
Argentina	46.27%	44.13%	6.47%	54.19%
Armenia	34.60%	54.50%	5.06%	65.33%
Aruba	15.07%	32.97%	7.61%	42.31%
Australia	9.88%	19.77%	11.46%	28.17%
Austria	16.81%	28.71%	20.00%	37.73%
Azerbaijan	34.60%	54.50%	5.06%	65.33%
Bahamas	19.21%	32.14%	25.04%	41.41%
Bahrain	32.35%	24.40%	22.46%	38.89%
Barbados	17.18%	27.25%	18.46%	36.12%
Belarus	34.60%	54.50%	5.06%	65.33%
Belgium	7.58%	16.68%	9.76%	26.35%
Belize	18.66%	17.86%	7.60%	36.26%
Bermuda	14.78%	29.29%	8.56%	38.29%
Bolivia	22.59%	40.22%	13.35%	50.00%
Brazil	15.32%	27.18%	6.95%	36.11%
BVI	18.75%	32.84%	7.61%	42.17%
Cambodia			4.65%	
Cape Verde	2.35%	10.84%	5.20%	18.60%
Cayman Is	13.06%	27.34%	7.38%	36.23%
Chile	32.57%	31.44%	22.37%	40.62%
China	6.53%	20.11%	5.10%	28.51%
Colombia	18.45%	20.40%	5.81%	28.79%
Costa Rica	20.00%	38.09%	17.33%	47.77%
Cyprus	22.82%	29.50%	6.35%	38.59%
Czech Rep	15.21%	26.02%	6.45%	34.87%
Denmark	34.38%	32.64%	6.45%	41.94%
Dominica	26.46%	41.92%	14.92%	51.82%
Dom. Rep	23.37%	35.55%	7.21%	45.00%
Ecuador	22.84%	28.92%	18.46%	37.92%
Egypt	7.01%	19.72%	11.41%	28.10%
El Salvador	19.86%	28.34%	19.61%	37.30%
Estonia	34.60%	54.50%	5.06%	65.33%
Ethiopia	14.18%	24.46%	5.66%	33.18%
Faeroe Is	34.38%	32.64%	39.85%	41.94%
Finland	10.18%	20.44%	12.12%	28.86%
France	4.71%	15.99%	8.03%	24.09%
Gabon	28.70%	40.55%	5.83%	50.38%
Gambia	22.85%	33.47%	5.93%	42.82%
Georgia	34.60%	54.50%	5.06%	65.33%
Germany	7.83%	15.63%	7.50%	23.74%
Ghana	12.74%	22.74%	5.86%	31.32%
Gibraltar	32.06%	43.84%	6.03%	53.89%
Greece	20.57%	29.90%	22.22%	38.97%
Grenada	17.87%	32.61%	7.21%	41.87%
Guam	4.48%	14.02%	6.17%	22.00%
Guantanamo	11.68%	27.34%	7.41%	36.23%



Guatemala	17.75%	22.93%	14.51%	31.51%
Guyana	19.85%	30.73%	6.05%	39.88%
Haiti	11.00%	21.37%	7.60%	29.84%
Honduras	18.87%	28.82%	20.04%	37.88%
Hong Kong	4.43%	13.95%	5.96%	21.94%
Hungary	18.67%	32.82%	6.18%	42.15%
Iceland	1.11%	14.71%	6.82%	22.78%
India	3.24%	12.60%	5.12%	20.47%
Indonesia	15.07%	24.74%	5.58%	33.48%
Ireland	8.98%	21.42%	12.73%	29.95%
Israel	1.54%	14.74%	6.56%	22.80%
Italy	0.00%	15.88%	7.59%	24.01%
Ivory Coast			5.93%	
Jamaica	24.08%	35.71%	14.75%	45.24%
Japan	6.25%	14.40%	6.20%	22.42%
Kazakhstan	34.60%	54.50%	5.06%	65.33%
Kenya	20.19%	30.63%	10.77%	39.78%
Korea	1.40%	14.13%	6.38%	22.10%
Kuwait	58.62%	18.21%	24.10%	39.48%
Kyrgyzstan	34.60%	54.50%	5.06%	65.33%
Latvia	34.60%	54.50%	5.06%	65.33%
Lebanon			5.24%	
Liberia	23.64%	34.85%	5.81%	44.29%
Liechtenstein	11.56%	15.59%	7.45%	23.70%
Lithuania	34.60%	54.50%	5.06%	65.33%
Luxembourg	5.08%	20.79%	12.37%	29.28%
Macao	19.88%	29.66%	5.12%	38.75%
Malawi		29.16%	21.94%	38.21%
Malaysia	8.11%	17.68%	9.56%	25.91%
Malta	21.16%	20.72%	6.36%	40.47%
Mexico (431-925)		615.04%	6.11%	664.89%
Moldova	34.60%	54.50%	5.06%	65.33%
Monaco	0.00%	15.98%	8.00%	24.07%
Montserrat	17.87%	32.59%	7.21%	41.84%
Netherlands	8.47%	15.99%	7.71%	24.14%
Neth. Antilles	15.99%	29.96%	22.87%	39.08%
New Zealand	7.13%	16.89%	8.67%	25.09%
Nicaragua	6.12%	29.81%	7.10%	29.21%
Nigeria	32.56%	44.50%	6.38%	54.63%
Norway	9.92%	20.77%	12.40%	29.24%
Panama	31.50%	31.28%	24.06%	40.51%
Paraguay	41.34%	48.85%	6.00%	59.23%
Peru	29.72%	42.16%	22.45%	52.07%
Phillipines	3.62%	17.78%	6.01%	26.05%
Poland	23.79%	34.15%	6.25%	43.56%
Portugal	25.86%	37.26%	15.99%	46.89%
Qatar	21.87%	28.17%	21.18%	37.16%
Romania			5.76%	
Russia	34.60%	54.50%	5.06%	65.33%
Saipan	20.04%	30.21%	5.35%	39.33%
San Marino			7.59%	
Saudi Arabia	26.19%	38.44%	10.21%	35.57%
Seychelles	16.27%	34.44%	4.45%	36.23%
Sierra Leone	5.30%	14.74%	5.40%	22.78%
Singapore	4.59%	14.04%	6.14%	22.04%
Slovakia	15.21%	26.02%	6.45%	34.87%